



UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.

Issued by the Department of Transportation on August 10, 1998

NOTICE OF ACTION TAKEN -- DOCKET OST 98-4263

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Application of **CONTINENTAL AIRLINES, INC.,** filed **7/30/98** for:

XX Exemption under 49 U.S.C. §40109 to provide the following service:

Scheduled foreign air transportation of persons, property, and mail between (1) the terminal point Cleveland, Ohio, and the terminal point Cancun, Mexico; and (2) the terminal point Newark, New Jersey, and the terminal point Cozumel, Mexico. Continental proposes seasonal services in the markets and requests authority of indefinite duration, subject to the dormancy provisions routinely applied to U.S.-Mexico authority.

Applicant rep: **R. Bruce Keiner, Jr. (202) 624-2615** DOT Analyst: **Linda L. Lundell (202) 366-2336**

DISPOSITION

XX **Granted In Part (See Remarks)**

XX **Balance Dismissed (Request for longer-term authority)**

The above action was effective when taken: **August 10, 1998** through **August 10, 2000**, or until 90 days after final Department action on a corresponding certificate application, whichever occurs earlier.

**Action taken by: Paul L. Gretch, Director
Office of International Aviation**

XX **The authority granted is consistent with the aviation agreement between the United States and Mexico.**

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX **Holder's certificate of public convenience and necessity**

XX **Standard Exemption Conditions (attached)**

Special Conditions/Remarks: **The U.S.-Mexico exemption authority granted is subject to the dormancy notice requirements set forth in condition 7 of Appendix A of Order 88-10-2. Consistent with our standard practice, the dormancy notice period will begin December 15, 1998, Continental's proposed startup date for this service.**

We acted on this application without awaiting expiration of the 15-day answer period with the consent of all parties served with the application.

Consistent with our stated policy in favor of direct carrier services in the U.S.-Mexico market (those services operated by carriers with their own aircraft--Order 97-9-38), we granted Continental's unopposed application.

Consistent with our standard practice for this type of application, we granted exemption authority to Continental for a period of two years, and dismissed its request for longer-term authority.

(see next page)

On the basis of data officially noticeable under Rule 24(n) of the Department's regulations, we found the applicant qualified to provide the services authorized.

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) immediate action was required and was consistent with Department policy; (2) grant of the exemption was consistent with the public interest; and (3) grant of the authority would not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975. To the extent not granted, we denied all requests in the referenced Docket. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within ten (10) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.

*An electronic version of this document is available on the World Wide Web at:
<http://dms.dot.gov/general/orders/aviation.html>.*

APPENDIX A

U.S. CARRIER **Standard Exemption Conditions**

In the conduct of operations authorized by the attached order, the applicant(s) shall:

- (1) Hold at all times effective operating authority from the government of each country served;
- (2) Comply with applicable requirements concerning oversales contained in 14 CFR 250 (for scheduled operations, if authorized);
- (3) Comply with the requirements for reporting data contained in 14 CFR 241;
- (4) Comply with requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;
- (5) Comply with the requirements of 14 CFR 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (6) Comply with the applicable requirements of the Federal Aviation Administration Regulations; and
- (7) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department of Transportation, with all applicable orders and regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

The authority granted shall be effective only during the period when the holder is in compliance with the conditions imposed above.